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# Approved For Release 199 1/09/09 : CIA-RDP82-00457 R007400

INFORMATION REPORT

CD NO.

25X1A

COUNTRY

India

25X1A

CONFIDENTIAL

DATE DISTR 2 APR 51

SUBJECT

Views of Bombay Businessman on Deterioration

in India

NO. OF PAGES 2

PLACE

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SUPPLEMENT TO 25X1X REPORT NO.

#### Possible All-Parties Conference

- The proposal of the Congress Working Committee to call an All-Parties Conference "to discuss ways and means of consolidating national unity"\* cannot yield any positive results. The Congress Party is itself demoralized and disintegrated. Congress Committees all over India have no contact with the masses, and Congress leaders are now proposing to fix a minimum of Rs 1/as membership fee "to prevent the rabble from joining the Congress."
- 2. No common grounds can be found among the other parties and groups, such as the Socialist Party, the Hindu Mahasabha, the R.S.S., chambers of commerce, Indian Christians, Anglo-Indians and Moslems, who might be asked to participate in such a conference. The Congress leadership is even afraid to face municipal elections, and may again postpone the general elections - an action which the Socialists, Hindu Mahasabha and the R.S.S. would probably protest.

### Communist Influence on Nehru

3. The Communist Party has suddenly become friendly to Prime Minister Nehru. The United Kingdom and France are using Nehru to give expression to their own anti-war feeling, and up to a point Nehru can improve peace prospects by taking a neutral attitude. However, in doing so, he may commit himself too far on the Chinese Communist side. The Chinese know Mehru's fears and are trying to play on his nerves. K. M. Panikkar, to further his own interests, has gained an undue influence over Nehru by means of flattery, and cannot be depended on to base his reports to Nehru on truth.\*

#### Food Crisis

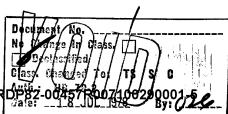
ARMY

Mathur (fnu), Secretary in the Agriculture Department, stated that the Indian food situation is getting worse, and that Nehru's foolish policy of self-sufficiency had increased India's need of grain imports.

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> This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

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Formerly India needed two million tons of grain and now needs four million. Even if the necessary food were available in foreign countries, shipping difficulties make it almost impossible to import large quantities.

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In a report of an independent agency dated 30 January 1951, Minoo Masani, Indian Member of Parliament, is stated to believe that Mehru's objective in planning an All-Parties Conference is to lay the groundwork for delivering India eventually to the Communist camp.

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for further information on

Panikkar's activities.

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